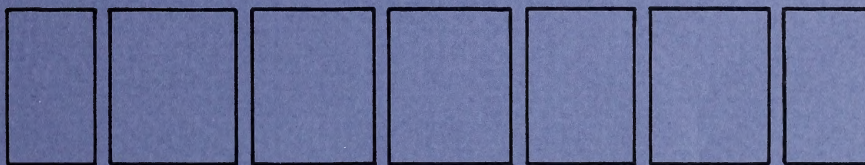


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Greenhouse Tax Structure in Alberta



by
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Alberta
AGRICULTURE
Production and Resource
Economics Branch
Economic Services Division

Agdex 837-3

GREENHOUSE TAX STRUCTURE IN ALBERTA

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FOREWORD

Since 1967 when the last detailed study of vegetable production was done by Alberta Agriculture, many changes have occurred in the industry not the least of which are the significant increases in production costs. Alberta producers are of the opinion that these changes are impeding the growth of the industry. Accordingly, they have requested that the Production Economics Branch undertake a comprehensive study of the entire floral and vegetable industries to evaluate the production factors which may be limiting growth. The evaluation is proceeding in two stages, the first stage being the evaluation of the greenhouse industry and the second, the evaluation of field vegetables.

The evaluation of the greenhouse industry began in 1978 and should be completed in the summer of 1979. This interim report on greenhouse taxation is part of the overall greenhouse study. It compares and contrasts the greenhouse taxation in rural and urban Alberta, and Alberta versus other provinces. It is intended to stimulate debate among interested individuals and agencies. The Branch welcomes any comments and criticisms.

Dr. C. Ross
Head
Production Economics Branch



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The authors also express their appreciation to a number of individuals from other provinces, who provided useful information towards the completion of this report.

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Lloyd J. Andruchow

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SECTION I

INTRODUCTION

Greenhouse operators in Alberta are very concerned that they are being subjected to higher taxes than their competitors in other provinces. Moreover, they argue that a major portion of the industry in Alberta is classified as "commercial business", whereas, a greenhouse operation in other provinces with the exception of Saskatchewan is considered an agricultural pursuit. Greenhouse producers therefore feel that the present tax structure in Alberta is working a severe hardship on their industry, a hardship which is limiting expansion of the industry in this province.

Due to the above concerns, greenhouse vegetable and flower growers requested through the Alberta Agricultural Coordinating Committee "that the Production Economics Branch of Alberta Agriculture investigate current taxation regulations affecting greenhouses in Alberta for the purpose of recommending changes to bring Alberta greenhouse operators under similar classifications to those in other provinces in Canada".

Objectives

The study of the greenhouse industry has been planned in two phases. Phase I deals with the tax structure of this industry in Alberta along with comparison of greenhouse taxes in other Provinces. Phase II deals with the factors affecting greenhouse production and related problems of this industry.

Following are the major objectives with specific reference to the structure of greenhouse taxation in Alberta (Phase I):

1. To investigate the current taxation regulations (business and property) as they affect greenhouses in Alberta.

2. To compare the basis for establishing taxation rates for greenhouses in urban and rural areas in the Province.
3. To compare the current Alberta taxation rates on greenhouses in Alberta with those in other Provinces.
4. To submit a report on the findings along with recommendations for future action to the Protected Crops Advisory Committee.

Survey Method

Forty-one (41) greenhouse operators across the Province were selected through a process of systematic random sampling. Initial contacts were established with these producers in July - August/1978. During those visits, information on greenhouse taxation was obtained and a comprehensive questionnaire was discussed with the operators for the purpose of studying production costs and returns for the 1978 production year.

After discussing the general taxation rules with the study participants, it was felt that more specific information would be desirable. As a result, various urban and rural municipal offices were contacted for specific information as to the basis for calculating property and business taxes for the greenhouses.

Tax information was obtained from other provinces by way of telephone and letters. Responses were only received from the Provinces of Ontario, British Columbia, Manitoba, Saskatchewan and New Brunswick.

SECTION II

THE MUNICIPAL TAXATION ACT AS APPLIED TO THE GREENHOUSE INDUSTRY

Property Taxation Guidelines

General guidelines for property taxation purposes are established by the Department of Municipal Affairs in the Municipal Taxation Act and the Assessment Manual. It is the municipalities that set the specific mill rates used in calculating the property tax; the mill rate of a municipality is usually based on the budgetary requirements.

Following are the facsimiles from The Municipal Taxation Act to elaborate the general guidelines for property taxation:

Section 2, Sub-Section 11 - "farm buildings" means the residence and other improvements used in connection with the growing and actual sales of trees, shrubs and sod or any one or more of them for transplanting or the raising or production of crops, livestock or poultry or in connection with fur production or beekeeping and situated on farm land outside a city, town, new town, village or summer village;

Section 2, Sub-Section 11.1 - "farm land" means land used in connection with the growing and actual sales of trees, shrubs and sod or any one or more of them for transplanting or the raising or production of crops, livestock or poultry or in connection with fur production or beekeeping consisting of one or more adjacent parcels operated as a unit:

- i) by a person who derives from that activity thereon an income sufficient to provide a livelihood where the unit contains 20 acres or more or has been reduced to less than 20 acres by expropriation, or
- ii) by a person who derives from that activity thereon his principal income where the unit contains less than 20 acres but does not include a parcel of land of less than one acre in extent;

Section 4: (1) Every year, each municipality shall prepare an assessment roll setting forth the assessed value of all assessable property within the municipality as established by the assessor in accordance with this Act.

(2) The assessment roll may consist of leaves held together in book-form or cards held in a suitable filing device.
(Revised Statute of Alberta (R.S.A.)1970,c.251,s.4)

Section 5: The assessor shall assess all land, improvements, businesses, and franchises that are liable to assessment

- (a) under this Act,
- (b) under a by-law passed on the authority of this Act.

(R.S.A.1970,c.251,s.5;1972,c70,s.4)

Section 6: The Minister may make regulations prescribing

- (a) standards and methods of assessment,
- (b) levels of value to be used in determining what constitutes fair actual value for the purposes of Chap. 25
- (c) rules and forms, for the use and guidance of assessors in making assessments in municipalities. (R.S.A.1970,c.251,s.6)

N.B. Section 21 of The Municipal Taxation Amendment Act, 1973 (chapter 42 of the Statutes of Alberta, 1973) reads:

The assessment of any property calculated in accordance with

- (a) the 1959 Assessment Manual, First Edition, or
- (b) the 1967 Assessment Manual, First Edition, is hereby deemed to be and to always have been as valid as if those manuals had been established pursuant to section 6 of the Municipal Taxation Act as it reads on the coming into force of this Act.

Section 21 of the Municipal Taxation Act, 1973 came into force on May 10, 1973.

Section 7: (1) In determining value for assessment purposes, an assessor shall apply the standards and methods of assessment and levels of value prescribed pursuant to section 6 and shall assess in accordance with any rules made in relation thereto.

(2) Where standards and methods of assessment have not been prescribed in respect of an improvement, the assessor shall determine its fair actual value in a manner that is fair and equitable with the level of value prescribed for use in determining the fair actual value of other improvements.

(3) Where standards and methods of assessment have not been prescribed in respect of any kind of land, the assessor shall assess the land at fair actual value in a manner that is fair and equitable with the assessment of buildings other than those of a residential nature. (R.S.A.1970,c.251,s.7)

Land Assessment

Section 9: (1) Land shall be assessed at its fair actual value exclusive of any improvements thereon.

(2) In determining the fair actual value of any land for assessment purposes, no regard need be given to the price at which any land or lands owned by the municipality has or have been sold or offered for sale by the municipality to any person.

(3) In determining the value of land an assessor shall have regard to

- (a) any advantages or disadvantages of location,
- (b) the quality of the soil,
- (c) any profitable use that may reasonably be made of the land,
- (d) the benefit to the land of an irrigation or drainage project, and
- (e) such other considerations as the Assessment Commissioner may from time to time specify.

(4) Where a parcel of land is used at the date of assessment for farming or residential purposes and an action is taken pursuant to The Planning Act, 1977 that has the effect of permitting or prescribing for that parcel some use other than its actual use, the assessor shall assess that parcel

- (a) at the prescribed agricultural rates if the parcel qualifies as farm land, or
- (b) if it does not qualify as farm land, according to its residential use if it is occupied chiefly, at the date of assessment, by the owner or the purchaser or his spouse or dependants and is used exclusively for residential purposes.

(5) Where land is not subject to an action taken under The Planning Act, 1977 or no actual use is being made of the land, the assessor shall assess the land in accordance with subsection (3). (R.S.A.1970,c.251,s.9;1971,c.78,s.3;1972,c.70,s.6;1973,c.42,s.4; 1976,c.75,s.2;1977,c.89,s.165 Proc.)

Alberta Regulation 142/60

1. In all cases where the most profitable use that may reasonably be made of the land is for agricultural purposes a basic value of \$40.00 per acre is hereby established for 100% arable dry lands throughout the Province.

2. A basic value per acre is hereby established for the various classes of 100% soil on irrigated land in accordance with the following classes:

Class 1 Area:

- 1. Good marketing facilities for irrigated row crops.
- 2. Well established area.
- 3. Relatively little probability of future seepage problems.

4. Well suited to irrigation from standpoint of soil and topography.
Basic value \$52.00 per acre.

Class II Area:

1. Fair to good marketing facilities for irrigated row crops.
2. Well established area.
3. Possibility of future seepage problems.
4. Area fairly well suited to irrigation from standpoint of soil and topography. Basic value \$48.00 per acre.

Class III Area:

1. Poor to fair marketing facilities for irrigated row crops.
2. Moderately well established area.
3. Some seepage has occurred and will probably continue to be a problem.
4. Only fair as to suitability for irrigation. Basic Value \$40.00 per acre.

Class IV Area:

1. Nil to poor marketing facilities for irrigated row crops.
2. Moderately well established area or relatively new area.
3. Seepage is a major problem and will likely continue to be a major concern.
4. Area fair to poor as to suitability for irrigation. Basic value \$35.00 per acre.

Class V Area:

1. Irrigation available but used only for irrigating pasture and hay lands.
2. Rate as dry land plus \$2.00 per acre for acreage of hay or pasture being irrigated.
3. The basic value per acre for the different land grades shall be determined by multiplying the final soil rating by the basic value established for 100% land.

The standards, methods, rules and regulations prescribed by this Order apply in the case of a general assessment made after the date of publication of this Order, and to subsequent annual assessments made thereafter.

Improvement Assessment

Section 2: "improvement" means

- i) a building or structure erected or placed upon, in, over or under land, whether or not it is so affixed as to become transferred without special mention by a transfer of the land,
- ii) any thing affixed to or integrated in a building or structure affixed to the land that would without special mention be transferred by a transfer of the land, and
- iii) machinery, equipment, appliances, working tanks and other things including the supporting foundations and footings, but excluding buildings and excluding tanks used exclusively for storage purposes, that form an integral part of an operational unit designed for or used in
 - (A) processing or manufacturing, or
 - (B) the production of natural resources or the transmission of natural resources, or products or by-products thereof, by pipe line,whether or not the machinery, equipment, appliances, working tanks or other things are so affixed as to become transferred without special mention by a transfer of the land;
- iv) a mobile unit when located on land owned by the owner or purchaser of the unit, other than
 - (A) a mobile unit occupied by a bona-fide tourist, or
 - (B) a mobile unit intended for vacation use while not occupied for any purposes;

Section 11: (1) An improvement or any class thereof of assessable land shall be assessed to the owner of the land apart from the land on which the improvement is situated at the prescribed percentage of its fair actual value.

(2) An improvement or any class thereof on nonassessable land shall be assessed at the prescribed percentage of its fair actual value to the person who has

- (a) the right or title to the improvement, or
- (b) the exclusive use of the improvement, other than a person who occupies or uses the improvement in an official capacity for the owner of the land.

(3) For the purposes of this section the Lieutenant Governor in Council,

- (a) may prescribe a percentage rate applicable to the fair actual value of all improvements, or
- (b) may classify improvements and prescribe different percentage rates applicable to the fair actual value of the improvements in the different classes.

(R.S.A.1970,c.251,s.11)

Exemptions

Section 25: (1) The following property is exempt from assessment by a municipality, namely:

- 12. farm buildings;
- 13. growing crops;

Valuation of Improvements for Assessment Purposes

The percentages of fair actual value which apply for purposes of improvement assessment are set forth in 1971 Alberta Regulations. The regulations are as follows:

(a) In a municipality where improvements are valued pursuant to the provisions of the 1959 Provincial Assessment Manual, the assessor shall use for assessment purposes:

- i) 30% of the fair actual value of machinery and equipment designed for or used in processing or manufacturing, the production of natural resources or the transmission of natural resources by pipeline, or machinery equipment and apparatus used in the exercise of a "special franchise" and not otherwise assessed.
- ii) 50% of the fair actual value of single family dwellings, where authorized by a by-law of the municipality.
- iii) 60% of the fair actual value of improvements other than those set forth in subclauses (i) and (ii) above.

(b) In a municipality where improvements are valued pursuant to the provisions of the 1967 Provincial Assessment Manual, the assessor shall use for assessment purposes:

- i) 22 1/2% of the fair actual value of machinery and equipment designed for or used in processing or manufacturing, or the production of natural resources or the transmission of natural resources by pipeline, or machinery, equipment and apparatus used in the exercise of a "special franchise" and not otherwise assessed.
- ii) 37 1/2% of the fair actual value of single family dwellings, where authorized by a by-law of the municipality,
- iii) 45% of the fair actual value of improvements other than those set forth in subclauses (i) and (ii) above.

For the purpose of this Manual:

Poor Construction - shall, as designated herein, mean of sub-standard quality material and average workmanship.

Fair Construction - shall, as designed herein, mean of average material and workmanship.

Good Construction - shall, as designated herein, mean of better than average material and workmanship. Buildings in this class are usually architect planned but not supervised except in residences where

Category C - Architectural Fee applies.

Expensive Construction - shall, as designated herein, mean of first class material and workmanship. Buildings in this class are usually architect planned and supervised except in residences where Category B - Architectural Fee applies.

SECTION III

ASSESSMENT OF PROPERTY TAXES ON GREENHOUSES

All greenhouses in the Province are subject to paying a property tax based on the assessed value of the property. The method of arriving at the assessment for land and the exemptions that apply to the buildings are significantly different in rural and urban municipalities. Property assessment procedures in both rural and urban municipalities are described below:

Property Tax Assessment in Rural Municipalities - Alberta

A greenhouse located in a rural municipality can either be classified as farm land and farm buildings, or non-farm land and non-farm buildings depending on the land area on which it is situated and the income of the operator. If the greenhouse is on an area between 1 and 20 acres (Section 2 - 11.1 - ii Municipal Taxation Act) and the principal income is derived from that parcel of land, the land is then classified as "farm land" and the buildings as "farm buildings." If the land holding is greater than 20 acres, (Section 2 - 11.1 - i, Municipal Taxation Act), the operator must show sufficient income from that property to provide a livelihood. An actual dollar amount of income is not specified in the legislation, however, most assessors use the old age pension as a starting point in their consideration of "livelihood". Holdings less than 1 acre (Section 2 - 11.1, Municipal Taxation Act) are classified as non-farm land.

Given the above, virtually all greenhouses located in a rural municipality in Alberta are classified as "farm land and farm buildings" under the definition in Section 2, Sub-Section 11, Municipal Taxation Act and the buildings are exempt from assessment under Section 25, Sub-Section 12.

As per Section 9 of the Municipal Taxation Act, land shall be assessed at its fair market value exclusive of any improvements thereon. After contacting the various municipalities in the Province, it was learnt that there is a considerable variation in non-farm land evaluation (based on market value) because of different assessment dates. Regardless of the assessment date, a maximum assessment value on farm land was arbitrarily set at \$40 per acre, a statutory rate established by the Provincial government (refer to Alberta Regulation 142/60). This figure is then adjusted by taking into account factors which may affect the productivity of that soil and the value of services, e.g. type of road, distance from market, proximity to good market roads, proximity to large urban centres. Through our research it was found that most of the small parcels of farm land are being assessed at the maximum statutory rate.

The property tax is calculated by multiplying the property assessment by the mill rate established by the individual municipality. The mill rates in Alberta's rural municipalities for farm land with a homestead is around 100, that is, \$100 tax per \$1000 assessment.

To offset a portion of the property tax, the Provincial government has a \$200 Home Ownership Discount which applies to all properties (farm and non-farm) that qualify under the provisions of the Alberta Property Tax Reduction Act. This discount can in some cases offset the total property tax and as a result, there are a few greenhouses on rural acreages in the Province that pay no property tax.

To summarize the above, the following examples incorporate the various factors used in calculating the net property tax payable.

Example 1:

Assessed Value of Residence (1380 sq. ft.)\$ 6450.00
Assessed Value of Garage (660 sq. ft.)\$ 900.00
Assessed Value of Greenhouse (21825 sq. ft.)\$23430.00
Land (3.49 Acres or 20 lots - 25' x 130')	

** Alberta Regulations 131/77 and 136/77 which came into effect in June 1977 established a new assessment rate for buildings. Under these regulations land assessment remains unchanged (65% of the 1976 market value), while buildings will now be assessed at 65% of the 1976 replacement cost less depreciation. Assessment figures in the Examples are based on the old assessment method.

This operation is located in a rural municipality and the income from the greenhouse operation is the principal income of the operator. The assessment and tax on the land and buildings are as follows:

Improvement Assessment	
Residence (exempt)	0
Garage (exempt)	0
Greenhouse (exempt)	0
<hr/>	
Total Improvement Assessment	0
Land Assessment (1.43 acres at farm land rate plus adjustment for location and services \$70.00/Acre) ...	
	\$100.00
<hr/>	
TOTAL ASSESSMENT	\$100.00
<hr/>	
Taxes (\$100 x mill rate of 93.0)	\$ 9.30
Less Provincial School Tax on residence., i.e. (\$100 x mill rate of 25.0) = 2.50	
Benefit of Home Ownership Discount ^{1/} is the total tax or \$200, whichever is less	
	\$9.30
<hr/>	
TAX PAYABLE	<u>0</u>

Example 2: The same greenhouse operation as in Example 1 is located in a rural municipality and the income from the greenhouse operation is not the principal income of the operator.

Improvement Assessment:	
Residence	\$ 6450.00
Garage	\$ 900.00
Greenhouse (21825 sq. ft.)	\$ 23430.00
<hr/>	
Total Improvement Assessment	\$ 30780.00

^{1/} Benefit of the Home Ownership Discount applies only if Provincial School Tax on residence is less than \$200.00

Land Assessment (20 lots assessed at 16.66% - 45% of average
1977 Conversion factors in accordance with Section 7 (3))

25' x \$10/ft. = \$250 market value per lot

\$250 x 16.66% = \$40 per lot

20 lots at \$40 \$ 800.00

TOTAL ASSESSMENT \$31580.00

Tax (Total Assessment x mill rate of 93.0) \$2936.94

Less Provincial School Tax on Residential Portion^{2/}

(\$8110 x mill rate of 25.0) \$ 202.75

TAX PAYABLE \$2734.19

Property Tax Assessment in Urban Municipalities - Alberta

A large percentage of the greenhouses in Alberta are located within the boundaries of cities, towns and villages. Many choose to locate there because a greenhouse operation relies heavily upon natural gas which may be priced lower within urban boundaries in comparison to the rural area. Easy access to markets and an abundant supply of water are also of major importance.

As was the case in the rural municipality, greenhouse land in an urban setting may be classified either as farm land or non-farm land depending on whether it meets the definition of farm land as stated in Section 2, Sub-Section 11.1 of the Municipal Taxation Act. If a greenhouse is located on a large enough area (more than 1 acre), and the principal income is derived from this operation, then the greenhouse land is classed as farm land. Assessment of farm land in urban areas, cannot exceed the statutory rate (\$40/acre) as is the case in rural areas. However, there is provision for adding the value of services to this assessed land value. Therefore, the average assessed

^{2/} Benefit of the Home Ownership Discount applies only if Provincial School Tax on residence is less than \$200.00

value used for farm land in urban municipalities is about \$60 to \$70 per acre. The buildings are taxable since buildings in urban municipalities do not meet the definition of "farm buildings" as set out in Section 2, Sub-Section 11 of the Municipal Taxation Act.

Most of the greenhouse land in urban municipalities in Alberta are classified as commercial (non-farm land) because they do not meet the requirements of the definition of "farm land", i.e., greater than 1 acre and providing principal income of the operator. Land assessment is done on the basis of frontage feet for "non-farm land" greenhouse and relates fair actual market value. For example, greenhouses located on non-farm land in the town of Redcliff are assessed on the basis of \$10 per frontage foot (1973 market value). According to the statutory rate, only 65% of the market value for non-farm land is used to calculate the actual land assessment.

It is recalled that municipalities in Alberta set their own mill rates according to the overall assessment and their budgetary requirements. Also, in the rural areas, the School Foundation mill rate is deducted from the total mill rate when taxes are calculated for residential properties.

In urban municipalities, however, greenhouse structures and equipment are not exempt from assessment and property taxes. Hence, all greenhouse structures and equipment located in the urban setting are assessed for taxation purposes. An exception occurs where Over-riding Annexation Orders may provide temporary relief for a specified period of time for areas recently annexed by large centers; assessment on land and buildings remain the same as prior to annexation.

As with land assessment, greenhouse structures and equipment are assessed at their fair actual market value with the assessment calculated in accordance with either the 1959 Assessment Manual or the 1967 Assessment Manual. Urban municipality assessors indicated that they assess the buildings and equipment based on 1963 replacement cost less depreciation (using the 1967 Assessment Manual). For guidelines in assessing the greenhouse structures and equipment, refer to Appendix.

The commercial mill rate as established by urban municipalities is applied to 45% of the assessment for the structure and equipment. This is a statutory rate and is used in both urban and rural municipalities when assessing buildings. In all cases, the residence is assessed separate from the greenhouse, as residential mill rates are approximately 25% below the non-residential rate. The following examples show how the land and buildings are assessed for a greenhouse located on "farm land" as compared to greenhouses located on "non-farm land" in the town of Redcliff:

Example 3: The greenhouse operation outlined in Example 1 is located in an urban municipality and income from the operation is the principal income of the operator.

Improvement Assessment

Residence	\$ 6450.00
Garage	\$ 900.00
Greenhouse (21825 sq. ft.)	\$23430.00
Total Improvement Assessment	\$30780.00
Land Assessment (1.43 acres at farm land rate plus adjustments for location and services \$70/acre)	\$ 100.00
TOTAL ASSESSMENT	\$30880.00
Tax (\$30880 x mill rate of 93)	\$ 2871.84
Less Provincial School Tax on Residence ((\$7350 x mill rate of 25) = \$183.75 (Minimum Benefit of \$200)	\$200
TAX PAYABLE	<u>\$2671.84</u>

Example 4: The greenhouse operation outlined in Example 1 is located in an urban municipality and income from the operation is not the principal income of the operator.

Improvement Assessment

Residence	\$ 6450.00
Garage	\$ 900.00
Greenhouse (21825 sq. ft.)	<u>\$23480.00</u>

Total Improvement Assessment	\$30780.00
Land Assessment (20 lots at 65% market value (25' x 6.50/ frontage foot = \$160/lot))	3200.00
TOTAL ASSESSMENT	<u>\$33980.00</u>
Tax (\$33980 x mill rate of 93)	\$ 3160.14
Less Provincial School Tax on Residence	
Portion = \$202.75	<u>\$ 202.75</u>
TAX PAYABLE	<u>\$ 2957.39</u>

The advantage of being classified "farm land" as opposed to "non-farm land" in an urban municipality is in the area of land assessment. Irrespective of land classification in an urban municipality land tax is relatively low in comparison to the building tax. In urban municipalities, building assessment accounts for 90% to 99% of the total assessment and thus reveals the extent and significance of the property tax on greenhouse structures within urban centres. In an urban municipality, all buildings are assessable regardless of the classification is farm land or non-farm land.

Property Tax Assessment on Greenhouses in Other Provinces

Ontario

Greenhouses in Ontario are classified as agricultural pursuits, regardless of the size or location. A typical greenhouse operator sells a major portion of his produce to wholesalers and the remainder to the consumers. If a greenhouse operator buys a major portion of the produce from outside his own operation and sells the same to consumers, then this operation is classified as commercial and a higher mill rate is applied to the assessed value for levying taxes.

Improvement assessments are directly related to the structure of the greenhouse. Glass structures are most common followed by double and single layer plastic, respectively. To illustrate the variation in assessment, a 30,000 sq. ft. greenhouse in Niagara, Ontario with different covering materials is assessed at the following rates:

Glass Structure (30,000 sq. ft.)	\$13760.00
Double Layer Plastic (30,000 sq. ft.)	\$ 8260.00
Single Layer Plastic Low Quality (30,000 sq. ft.)	\$ 3670.00

Improvements in both urban and rural areas are assessed at the same rate. However, a variation in mill rate accounts for the difference in net taxes payable in urban and rural municipalities.

Land assessment depends on the production characteristics of the soil. For example, in Niagara, Ontario where fruit growing characteristics prevail, a \$100 per acre land assessment is used which compares with \$50 per acre for areas with lower production potential. The land area associated with the greenhouse operation in urban or rural areas in Niagara is assessed at \$100 per acre.

The following examples illustrate improvement and land assessments on typical greenhouse operations in the county of Niagara, Ontario:

Example 5: This greenhouse operation is located in rural Niagara.
The 30000 square foot glass structure is located on 5 acres of land.

Improvement Assessment

Greenhouse (30000 sq. ft.)	\$13760.00
Residence	\$ 3000.00
Total Improvement Assessment	\$16760.00
Land Assessment (5 acres at \$100 per acre)	\$ 500.00
TOTAL ASSESSMENT	\$17260.00
General Mill Rate	(158.11)
Calculated Tax (\$17,260 x mill rate of 158.11)	\$ 2728.98
Less 50% Rebate	\$ 1364.49
TAX PAYABLE	<u>\$ 1364.49</u>

Example 6: This greenhouse operation is located in urban Niagara.
The same greenhouse and land parcel is considered as in Example 5.

Improvement Assessment

Greenhouse (30000 sq. ft.)	\$13760.00
Residence	\$ 3000.00
Total Improvement Assessment	\$16760.00
Land Assessment (5 acres at \$100 per acre)	\$ 500.00
TOTAL ASSESSMENT	\$17260.00
General Mill Rate	(158.11)
Calculated Tax (\$17,260.00 x mill rate of 158.11) ..	\$ 2728.98
Less 50% Rebate	\$ 1364.49
Special Sewer Mill Rate	(15.36)
Additional Tax (\$17260 x mill rate of 15.36)	\$ 265.11
TAX PAYABLE	<u>\$ 1629.60</u>

British Columbia

All greenhouse operations in British Columbia are classified as agricultural pursuits under Section 26 of the Assessment Act. Assessment of land which is associated with the greenhouse is assessed at market rate. However, land values in rural areas are frozen at \$280/acre. Building assessment is based on the 1977 value of the structure and is valued on a per square foot basis. An average greenhouse in British Columbia has a concrete foundation, a steel frame, and is covered with 2 layers of plastic.

Two mill rates, a general and school mill rate, are applied to a portion of the assessed land and building value to arrive at the overall tax in both the rural and urban areas. Only 50% of the land assessment and 15% of the building assessment are taxable in British Columbia.

All properties classified as farm are allowed exemptions on land and building assessments. In rural areas, a maximum \$1000 exemption is allowed on the land assessment for school tax purposes. Buildings are totally exempt from the general and school tax in rural areas. In urban areas, the same land exemption applies. In addition, a \$5000 exemption on farm building assessment is allowed for general and school tax purposes.

The following examples show how land and buildings for a greenhouse operation are taxed in a rural and urban area in British Columbia.

Example 7: An average size greenhouse of 10000 square feet is located in a rural area, Fraser Valley. The land area is 5 acres; the general mill rate is 5.0; and the school mill rate is 53.256.

Improvement Assessment (10000 square feet)

1975 Value of Structure at \$1.13/sq. ft.	\$11300.00
Addition of Constant to cover all other improvements	\$ 7130.00
Total 1975 Building & Equipment Value	\$18430.00
1977 Value (Add 1.25%)	\$18660.38
Buildings are 15% Taxable	\$ 2799.06
Land Assessment (5 acres x \$280/acre)	\$ 1400.00
Land is 50% Taxable	\$ 700.00
General Mill Rate	(5.0)
School Tax Mill Rate	(53.256)
General Tax on Land (\$700 x mill rate of 5.0)	\$ 3.50
General Tax on Buildings (exempt)	-
School Tax on Land (\$1000 exemption)	-
School Tax on Buildings (exempt)	-
TAX PAYABLE	\$ 3.50

Example 8: Same greenhouse as in Example 7, is now considered in an incorporated municipality (urban) for taxation purposes. General mill rate is 45.0, school tax mill rate is 53.256.

Improvement Assessment (10000 square feet)

Taxable Portion	\$2799.06
Land Assessment (5 acres x \$295/acre)	\$1475.00
Land is 50% Taxable	\$ 737.50
General Mill Rate	(45.0)
School Tax Mill Rate	(53.256)
General Tax on Land (\$73750 x mill rate of 45.0)	\$ 33.19
General Tax on Buildings (\$5000 exemption)	-
School Tax on Land (\$1000 exemption)	-
School Tax on Buildings (\$5000 exemption)	-
TAX PAYABLE	\$ 33.19

Manitoba

Greenhouses located on more than four acres in Manitoba are exempt from any property taxes, as Provincial legislation prohibits assessment on such operations. If a greenhouse is located on less than four acres, assessment is made for the purpose of property taxes on the land and buildings. Property taxes are assessed at two-thirds the assessment value multiplied by the mill rate which was approximately 170 in 1978. Taxes are levied on fixed equipment at the rate of \$1.00 per square foot, and such equipment includes heating, gas, cooling, etc. Equipment other than fixed, is exempt from such taxes.

Saskatchewan

Regardless of the location, greenhouses in Saskatchewan are not considered farming enterprises. Greenhouses therefore pay property and other taxes as levied by the various municipalities. One noticeable distinction between the greenhouses located in rural and urban municipalities is that the former category is exempt from building assessment for taxation purposes. The greenhouse area in rural municipalities is assessed at the farm rate which was 88.0 mills in 1978, about one-half of the mill rate in urban municipalities.

In urban municipalities, the greenhouse area and buildings are assessed at a commercial rate, like any other small business in the area. The Assessment Branch of the City of Regina has established separate assessment rates for greenhouse production area; area occupied by fixed equipment (cooler, boiler, etc); and sales or office area. The assessment rates for such areas are \$1.75, \$2.50, and \$6.00 per square-foot, respectively. To calculate tax for greenhouse operations, duration of the production period is taken into consideration, i.e., taxes are adjusted according to the production period. The current mill rate used to establish property taxes is 196.5. The following examples show assessments on land and buildings, and taxes levied on two different sized greenhouses located in the city of Regina:

Example 9: A greenhouse operation located in the municipality
of Regina:

Improvement Assessment

Greenhouse^{3/} - Production Area 1820 sq. ft.
 - Sales Area 2318 sq. ft.

Land Assessment \$2170.00

Building Assessment

(includes production & sales area) \$5510.00

TOTAL ASSESSMENT \$7680.00

1978 Mill Rate* (196.5)

TAX PAYABLE (\$7680 x mill rate of 196.5) \$1509.12

* Includes Library, Municipal and School Tax Rates.

Example 10: A greenhouse operation located in the municipality
of Regina:

Improvement Assessment

Greenhouse - Production Area 16950 sq. ft.
 - Boiler & Cooler Area 1780 sq. ft.
 - Sales Area 775 sq. ft.

Land Assessment \$1950.00

Building & Fixed Equipment Assessment \$26390.00

TOTAL ASSESSMENT \$28840.00

1978 Mill Rate (196.5)

TAX PAYABLE (\$28840 x mill rate of 196.5) \$ 5667.06*

* This amount includes \$330.00 for house tax.

^{3/} Sales area is used for retailing produce grown in a rural location
and is therefore not included in the above assessment.

New Brunswick

Greenhouses in New Brunswick are considered to be an agricultural pursuit. The municipal mill rates include a provincial rate of 1.5% plus an applicable municipal rate. Assessment on buildings ranges from 90% to 100% of depreciated replacement cost, while land assessment is based on current land values.

SECTION IV

BUSINESS TAX ASSESSMENT ON GREENHOUSES

In Alberta, there is a considerable variation in how greenhouse operations are classified for business taxation purposes. All greenhouses located within a city boundary irrespective of their size are classified as a small/light industrial/or commercial business. On the basis of this classification greenhouses are assessed for business taxes.

Before providing illustrations on business taxation rates on greenhouses in Alberta, it will be helpful if the readers are made familiar with the specific guidelines for business tax assessment and business tax by-laws authorizing business tax, as shown in the Municipal Taxation Act.

Business Assessment Taxation Guidelines

"Definitions" Section 79 In this Part,

- (a) "business" includes business, trade, profession, occupation, employment or calling and the providing of goods or services;
- (b) "floor space" means the superficial area of every floor in the building in which business is carried on, and includes the superficial area of any land not forming the site of a building but occupied or used for the purpose of or incidental to the exercise or carrying on of a business;
- (d) "premises" means the store, office, warehouse, factory, building, enclosure, yard or any space occupied or used by a person for the purposes of a business.

(R.S.A..970,c.251,s.79)

"Business tax Section 80
assessment"

(1) A council may, by by-law passed not later than the first day of May in any year, provide for the assessment of any business, and for the payment by any person carrying on the business of a tax upon the assessment thereof, to be known as a business tax.

(2) Where machinery, equipment, appliances or other things used for or in manufacturing or processing or for the production of natural resources or for the transmission of natural resources are subject to a property tax in any year no business tax shall be levied in that year against the owner or occupier of the premises on which any such property is situated.

(3) Notwithstanding subsection (2), where the manufacturing, processing, production or transmission described therein is not the chief or preponderating business of the owner or occupier of the premises on which the machinery, equipment, appliances or other things described in subsection (2) is situated, then the person carrying on business on such premises shall be assessed for business tax with respect to the kind of business that is the chief or preponderating business carried on by him in or upon such premises.

(4) Except in a city, town, new town or village, no business assessment shall be made nor business tax levied in respect of the business of the raising or production of crops, livestock or poultry or in connection with fur production or beekeeping. (R.S.A.1970,c.251,s.80)

"By-law Section 81
authorizing -
business tax"

(1) A certified copy of the by-law authorizing the imposition of a business tax shall be forwarded by the municipal secretary to the Chief Provincial Assessor.

(2) Every by-law and every amending by-law passed pursuant to section 80 continues in force until amended or repealed, but no such by-law shall be amended or repealed except by a by-law passed in any year subsequent to the year in which the original by-law was passed and before the first day of May in the subsequent year, or by a by-law passed pursuant to subsection (3), or by an order of the Appeal Board issued pursuant to section 87.

(3) If the council desires, for the purpose of relieving against any unfairness, discrimination, injustice or undue hardship arising out of any by-law, to amend a by-law passed pursuant to section 80, the council, with the approval of the Chief Provincial Assessor, may, by by-law passed either before or after the first day of May, amend the by-law and an amendment so made, if made after the first day of May, has the same force and effect as if it had been made before that date.

(R.S.A.1970,c.251,s.81)

"Business Section 82
tax by-laws"

(1) The by-law for the imposition of a business assessment and business tax may;

- (a) provide for the assessment of any class or classes of business at a sum equal to the gross annual rental value of the premises occupied or rented for the purpose of the business, or
- (b) provided for the assessment of a business of grain dealers, grain elevator operators, coal dealers, gasoline distributors, oil distributors, storers of goods and chattels, and similar businesses, on the basis of the total available storage capacity of the premises used for the purpose of the business, and for the assessment of any business, not being a business assessed upon the storage capacity, on the basis of the floor space of the entire premises occupied for the purpose of the business, and may specify the time during which the business assessment shall be made by the assessor.

(2) The by-law may

- (a) provide for the grouping of businesses into classes for the purpose of assessment and taxation under the by-law,
- (b) provide that where a tenant who is liable to assessment in respect of any premises leased by him sublets the whole or a portion thereof, the assessor, in his discretion, may assess either the tenant or the sub-tenant in respect of the premises or the portion of the premises sublet,
- (c) provide that where a manufacturer is not manufacturing his products within the municipality but is selling the products wholesale or retail therein, the manufacturer concerned shall pay to the municipality a business tax at the rate applicable to wholesale dealers, or retailers, as the case may be, as fixed by the by-law, and
- (d) provide the rate per unit of storage capacity or the sum per square foot of floor space for the purpose of assessment in respect of any class of business not assessed on a rental basis.

(3) The business tax payable in respect of any business assessed on a rental basis shall be such percentage of the assessed value, not in excess of a total of 25 per cent, as may be specified by the by-law.

(4) The percentage of the assessed value which shall be payable as business tax or the rates of assessment of businesses assessed in respect of floor space or storage capacity may be varied as between any class or classes of business and any other class or classes for the purpose of obviating unfairness, injustice or discrimination or relieving against undue hardship or for any other purpose that is proper in the opinion of the council, having regard to all or any of the following considerations:

- (a) the nature of the business carried on;
- (b) the purpose for which the premises or any parts thereof are used;

- (c) the situation or position of the place of business in relation to that of other places of business, whether in the same building or not;
- (d) the extent to which the premises or any parts thereof occupied for purposes of the business are profitably used or the amount of storage required;
- (e) the profits derived from the business. (R.S.A.1970,c.251,s.82)

"Basis of Section 85
business tax"

The business tax payable in respect of any business that is not assessed on a rental basis shall be calculated and levied annually, and the rate applicable shall not exceed the rate of levy made by the municipality upon the land therein and as authorized under this Act.

(R.S.A.1970,c.251,s.85)

"Amount of Section 86
business tax"

(1) Where a person carries on a business within a municipality in any year in respect of which a business tax is imposed by the municipality,

- (a) if he carries on the business therein during every month of that year, he is only liable for the payment of that part of the full annual business tax in respect of that business which is in proportion to the number of months of that year during which he carried on that business therein, a portion of a month being taken as a full month.

(2) Notwithstanding subsection (1), where the person carries on the business during the whole or any part of one or more days in that year but not exceeding in the aggregate 30 days in that year, he is not liable for the payment of the business tax in respect of that business for that year.

(3) A refund of any overpayment of business tax shall be made only when an application therefor is received by the municipal secretary on or before December 31 of the year following the year of the business tax levy.

(4) The municipality may abate the business tax in respect of any business by the amount of any licence fee payable to the municipality in respect of that business.

(R.S.A.1970,c.251,s.86;1972,c.70,s.22 Eff. Jan. 1, 1972)

Business Tax Assessment on Greenhouses - Alberta

The business tax assessment rate varies among the city municipalities. It should be remembered that no business tax is levied on greenhouses located in rural municipalities, regardless of farm or non-farm land classification. Business assessment is made on all greenhouses located in city municipality limits and are classified as either small/light industrial/or commercial businesses. For the purpose of levying the business tax, the Department of Municipal Affairs provides general guidelines to the municipalities in the Municipal Act and the Assessment Manual. To work out specific rates for business tax on any business, the municipalities are empowered to establish their own assessment rate. Hence, tax rates may vary among the municipalities.

According to Section 82 of the Municipal Assessment Act - the by-law for the imposition of a business assessment and business tax provides for the assessment of any class or classes of business at a sum equal to the gross annual rental value of the premises occupied or rented for the purpose of the business. Moreover, the business tax payable in respect of any business assessed on a gross annual rental value basis shall not exceed 25 percent of the assessed value, as specified by the by-law.

Urban municipalities have the authority for establishing different classes of business assessment rates. These rates range from 7 to 25 percent of the assessed value. The greenhouses in Alberta are categorized in the lowest class for business tax assessment i.e., 7 percent of the gross rental value.

To illustrate the procedure for calculating the business tax on greenhouses in various city municipalities in Alberta, the greenhouse listed in Example 1 is reconsidered for business tax assessment in the following municipalities.

Example 9: Edmonton and Calgary Municipalities.

In the municipalities of Edmonton and Calgary, the greenhouse and storage areas are assessed at a rate of 35 to 40 cents per square foot and the business tax is 7 per cent of the assessed gross rental value.

Greenhouse and Storage Area	21825 sq. ft.
Assessment Rate	\$0.35/sq. ft.
Assessed Gross Rental Value (.35 x 21825)	\$7638.75
BUSINESS TAX (\$7638.75 x .07)	<u>\$ 534.71</u>

Example 10: Medicine Hat Municipality

A business tax is assessed on greenhouses located within the city municipality of Medicine Hat. To arrive at a gross rental value of the facilities, the greenhouse and storage areas are assessed at a rate of 12 cents per square foot and the business tax amounts to 7 per cent the assessed gross rental value.

Greenhouse and Storage Area	21825 sq. ft.
Assessment Rate	\$0.12/sq. ft.
Assessed Gross Rental Value (.12 x 21825)	\$2444.40
BUSINESS TAX (\$2444.40 x .07)	<u>\$ 171.11</u>

Example 11: Lethbridge Municipality

In the municipality of Lethbridge, the business tax on a greenhouse is levied on the area used for retailing produce from the greenhouse. For business tax purposes, the gross rental value for the retailing area is arrived at by using \$6.00 per square foot. The business tax amount to 6.5 per cent of the gross rental value.

Greenhouse and Storage Area	21825 sq. ft.
Retailing Area	800 sq. ft.
Assessment Rate (Retail area)	\$6.00/sq. ft.
Assessed Gross Rental Value (\$6 x 800)	\$4800.00
BUSINESS TAX (\$4800 x .065)	<u>\$ 312.00</u>

The business tax on a similar greenhouse operation located in a city municipality ranges from \$171.11 in the city of Medicine Hat to \$534.71 in Edmonton and Calgary municipalities. Relating this to the greenhouse operation located in an urban municipality which provides the principal income to the greenhouse operator (Example 3), the business tax accounts for 6.02 per cent of the overall taxes in Medicine Hat and 16.7 per cent in the Edmonton and Calgary municipalities.

Business Tax Assessment on Greenhouses in Other Provinces

Greenhouses in most of the provinces are generally classified as agricultural pursuits or farm operations, irrespective of their location and are exempt from business taxes. Presented below are the highlights on the business tax structure received from other Provinces.

Ontario

Predominantly, greenhouses in Ontario are classified as agricultural properties. An exception exists where a greenhouse operator buys a major portion of the produce from outside his own operation and sells the same directly to the consumers. Here, his operation is classified as commercial, will be assessed at market value, and hence is subject to business taxes.

Greenhouse operators who do not engage in marketing of products grown outside their facilities and whose greenhouse produce is valued at not less than \$2000 in a normal production year are exempt from business tax. Moreover, these operations are also eligible for assistance under the 'Farm Tax Reduction Program' which equals 50 percent of the total municipal taxes on their property.

British Columbia

In British Columbia all greenhouse operations are classified as farming enterprises under Section 26 of the Assessment Act. Therefore, no business tax is assessed against any greenhouse in British Columbia.

Manitoba

In Manitoba, greenhouses are exempt from business tax irrespective of their size and location.

Saskatchewan

Although greenhouses in Saskatchewan are classified as commercial business, no business tax assessment is made on these greenhouses. Instead, the area occupied by fixed equipment, i.e., boiler, cooler, etc., is assessed at a slightly higher rate than the production area as part of the overall taxes to be received from the greenhouses operators. In essence, greenhouses in Saskatchewan are indirectly subjected to business taxes.

New Brunswick

Greenhouse operations are considered to be an agricultural pursuit and are excluded from business assessment taxation.

SECTION V

SUMMARY

Greenhouse operations in Alberta are subject to property taxes regardless of location or classification. Land taxes are related to the classification of the greenhouse. A lower assessment applies if the operation meets the definition of "farm land" as provided in the Municipal Taxation Act. If a greenhouse operation is classified as non-farm land, then a relatively higher assessment rate is used to calculate the land taxes. In addition to the land tax, greenhouses within urban boundaries pay taxes on buildings and equipment.

Business taxes apply to all greenhouses (farm land and non-farm land) located within a city municipality. Greenhouses located outside a city municipality, regardless of classification, are exempt from a business tax. Less than one-third of the greenhouses in Alberta are located in city municipalities and are subject to paying business taxes. When compared to other business classes, greenhouses are assessed at the lowest tax class rate (i.e. 7% of the gross rental value) for levying business taxes.

From Examples 3,6,8,10, property and business taxes for a typical size greenhouse in an urban municipality in Alberta, Ontario, British Columbia, and Saskatchewan are summarized as follows:

	<u>Alta. Urban</u>	<u>Alta. City ^{1/}</u>	<u>Ontario</u>	<u>British Columbia</u>	<u>Sask.</u>
Greenhouse Area (sq. ft.)	21825	21825	30000	10000	16950
Land Area (acres)	1.43	1.43	5	5	2
Total Taxes Payable	\$2671.84	\$3024.75	\$1629.60	\$33.18	\$5667.06
Taxes Payable Per 1000 Sq. Ft. Production Area	\$ 128.30	\$ 145.25	\$ 54.32	\$ 3.32	\$ 334.34

^{1/} Only city municipalities levy a business tax.

Alberta cities are the only jurisdictions which levy business taxes. The greenhouse in the example above would be assessed a business tax in the range of \$171.11 to \$534.71, if located in a city municipality.

The following table provides a gist of the tax structure on greenhouse operations for the Provinces included in this study.

Tax Structure Summary

	<u>Improvement Assessment</u>	<u>Land Assessment</u>	<u>Business Taxes</u>	<u>Assessment Exemptions</u>	<u>Discount Program</u>	<u>Rebate Program</u>
Alberta						
-rural		X			X ^{1/}	
-urban	X	X			X ^{1/}	
-city	X	X	X		X ^{1/}	
Ontario						
-rural	X	X				X ^{2/}
-urban	X	X				X ^{2/}
B.C.						
-rural		X		X ^{3/}		
-urban	X	X		X ^{3/}		
Sask.						
-rural		X				
-urban	X	X				

^{1/} Benefit of the Home Ownership Discount is the total tax or \$200., whichever is less, and applies to all properties that qualify under the Alberta Property Tax Reduction Act.

^{2/} Farm operations producing farm products valued in excess of \$2000. are eligible for a 50% reduction in the total municipal taxes under the 'Farm Tax Reduction Program' introduced in 1970.

^{3/} Under the British Columbia Assessment Act, greenhouses in rural areas are allowed a \$1000 exemption on land assessments. In urban areas, an additional \$5000 exemption is allowed on building assessment.

Suggestions and Recommendations

To bring Alberta's greenhouse tax structure in line with other provinces particularly Ontario and British Columbia, the following suggestions and recommendations merit serious consideration.

- 1) Greenhouses in Alberta should be classified as farm land irrespective of their size and location to reduce the land assessment.
- 2) Due to the extent of the tax on improvements in urban municipalities, serious consideration should be given to exempting greenhouse buildings and equipment from assessment.
- 3) Greenhouses in city municipalities should also be exempt from the business tax thereby bringing greenhouse operations at par with greenhouses located outside city boundaries.
- 4) Study of the greenhouse taxation structure revealed that taxes in rural municipalities are lower as compared to urban municipalities. It is recommended that the Production Economics Branch report on the significance of overall taxes upon completion of the Phase II cost and return study.

SECTION VI

GREENHOUSE ASSESSMENT GUIDELINES

APPENDIX

GREENHOUSE		105-C	FAIR TO GOOD
BUILDING WIDTH	Cost Per Foot of Building Length		SUPERSTRUCTURE
	SINGLE UNITS	MULTIPLE UNITS	
20'	\$47.04	1 SIDEWALL NO SIDEWALLS \$31.59	EACH ENDWALL \$149.87
5'	\$ 5.85	\$ 5.90	\$ 53.80

Aluminum or steel frame with metal, redwood or cypress rafters. Side walls 4' high above 3' high concrete foundation, dirt floor, gable roof. Factory made continuous ventilating system 2 rows on length, 6" metal gutter each side, exterior paint on all exposed members.

INSTALLATIONS INCLUDE IN RATES

Plumbing, heat and wiring - Nil
Ventilating system at \$2.50 per lineal foot
2 service doors for each single unit and 1 service door for each 1 sidewall unit at \$36.80
Paint exterior per foot of building length 20' width \$2.60 to 50' width \$5.65
Foundation \$0.61 per square foot, Footings \$0.92 per lineal foot.

VARIATIONS

Plumbing - Minimum \$250. add piping for sprinklers at \$1.07 per lineal foot
Gas - Minimum \$45 or \$0.015 per square foot
Heat, hot water or steam - including boiler, add per square foot \$0.55
gas furnaces add per square foot 0.30
gas burner jet and stove pipe add per square foot 0.22
Wiring, exposed conduct - based upon 100' of length20' width \$80 to 50' width \$140.00
Cross partitions add per square foot 0.54
Walls add or deduct, " " 0.54
4" concrete walkway 2' wide add per lineal foot 0.61
Fans 42", 3/4 H.P. with box and shutter installed \$350.00

Note: recommended economic life 40 years.

GREENHOUSES

105-D

Fair

Cost Per Foot of Building Length

SUPERSTRUCTURE

BUILDING WIDTH	SINGLE UNITS	MULTIPLE UNITS	EACH ENDWALL	Wood frame 2" steel posts and beams at 8' o.c. side and end walls, 16" or 20" glass panes 4' high over 3' high concrete foundation. Built floor, gable roof. Factory made screen type continuous ventilating system or equal 100% of building length.
20'	\$25.22	1 SIDEWALL NO SIDEWALLS \$15.43	\$125.26	
Each Additional				
5'	\$ 2.55	\$ 2.55	\$ 38.65	

INSTALLATIONS INCLUDED IN RATES

Plumbing, heat and wiring - Nil
 Ventilating system at \$2.50 per lineal foot
 1 service door each single unit and each 1 sidewall unit at \$34.10 each
 Paint - Nil
 Foundation \$0.61 per square foot, Footings \$0.92 per lineal foot.

VARIATIONS

Plumbing, Minimum \$250	
Gas - Minimum \$45 or \$0.015 per square foot	
Heat, hot water or steam - including boiler gas furnaces	add per square foot \$ 0.55
gas burner jet and stove pipe	" " " 0.30
Wiring exposed conduct - based upon 100' of length	" " " 0.22
Cross partitions	20' width \$80 to 50' width \$140.00
Walls	add per square foot 0.43
4" concrete walkway 2' wide	add or deduct, per square foot 0.54
Paint - exterior, add per foot of building length	add per lineal foot 0.61
	20' width \$2.60 to 50' width 5.65

Note: recommended economic life 30 years.

GREENHOUSES

105-E

POOR TO FAIR

SUPERSTRUCTURECost Per Foot of Building Length

BUILDING WIDTH	MULTIPLE UNITS			EACH ENDWALL
	SINGLE UNITS	1 SIDEWALL	NO SIDEWALLS	
20'	\$20.06	\$17.14	\$13.39	\$98.80
Each Additional 5'	\$ 1.95	\$ 1.95	\$ 1.85	\$32.15

Wood frame, wood posts and beams at 8' o.c.,
16" glass panes in non grooved rafters, side
and end walls 5' high above footing only,
dirt floor, gable roof, cable pulleys and
trap type windows 75% of building length.

INSTALLATIONS INCLUDED IN RATES

Plumbing, heat and wiring - Nil
Ventilating system at \$2.10 per lineal foot
1 service door each single unit and each 1 sidewall unit at \$31.60 each
Paint, Nil
Footings \$0.79 per lineal foot

VARIATIONS

Plumbing - Minimum \$250
Gas - Minimum \$45 or \$0.015 per square foot
Heat, hot water or steam - including boiler add per square foot \$ 0.55
gas furnaces " " 0.30
gas burner jet and stove pipe " " 0.22
Wiring, exposed conduct - based upon 100' of building length .. 20' width \$80 to 50' width \$140.00
Cross partitions add per square foot 0.43
Walls per perimeter foot of height add or deduct 0.54
4" concrete walkway 2' wide add per lineal foot 0.61
Paint - exterior, add per foot of building length 20' width \$2.60 to 50' width \$ 5.65

Note: recommended economic life 20 years.

N.L.C. - B.N.C.



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